

"A Historic Past"



"A Bright Future"

THE CITY OF DELAWARE CITY
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**MINUTES
CITY OF DELAWARE CITY
MAYOR & COUNCIL - BUDGET WORKSHOP
Tuesday, May 24, 2022, at 6:00p.m.
DELAWARE CITY COMMUNITY CENTER
250 FIFTH STREET**

BUDGET WORKSHOP FY23 OF MAYOR & COUNCIL

CALL TO ORDER

Mayor Johnson called the May 24, 2022 Budget Workshop to order at 6:00p.m.

ROLL CALL

Mayor Johnson and Vice Mayor Barrett were present. Also in attendance were Council Members Saunders, Price, Cornish, and Konkus (arriving at 6:18p.m.). City Manager Baylor and Finance Manager Graham were also present.

ORDER OF BUSINESS

1) Budget Workshop FY23

Finance Manager Graham: There was no change to the revenue for public safety from last year's budget, with the exception of the "operating transfer." For code enforcement, the budget was kept basically the same as last year. Public safety salaries, payroll, taxes, and retirement show no increases as of now.

Contractual services increased slightly. Gas and oil increased. Insurance is down since last year because the city has one less officer. All other expenditure items remained basically the same or with a slight increase. The city will receive \$495,000 in ARPA money by the end of June, 2022. The ARPA funds need to be expended by 2026.

City Manager Baylor: ARPA funds will allow the city to hire police officers. It is a challenge to find and hire people to work as police officers. He feels that one strategy for the city is to hire part-time, retired officers. (To hire and train a new officer takes about a year).

Mayor Johnson: Is there currently a line on the budget for part-time officers? Finance Manager Graham said, no, but if that is a consideration, a separate line should be added in the budget for part-time officers – with the revenue source as ARPA funds. Hiring retired officers enables the city to potentially get two officers for the price of one with benefits, since most retired officers carry their benefits with them and would only require a salary. On his “wish list” he would hire four part-time officers.

City Manager Baylor: He asked Finance Manager Graham how much she would budget for part-time officers? She answered, \$25,000 per officer. He said he would budget \$50,000 for two part-time officers and \$50,000 for a full-time officer. Part-timers would work anything less than 40 hours per week. The number of calls for service is most between March/April and October.

Vice Mayor Barrett: What would it “theoretically” take to have police coverage 24/7 in the city? City Manager Baylor answered six full-time officers (with the chief as an administrator and not on the street).

Mayor Johnson: Besides additional police officers, what would the ARPA funds be used for? City Manager Baylor said, money would go toward storm water management and “some” street paving. The additional police officers would take \$109,000 (including payroll taxes) of the ARPA money. \$10,000 would be allotted for the new website.

City Manager Baylor: He “doesn’t like to spend money he doesn’t have,” but the property taxes from the campground will be a revenue source. Fort DuPont also owes the city money for their rentals. The city will lose the transfer taxes from Fort DuPont, but gain the property taxes from the Fort. Considering this, there will be more money coming in, but it needs to be spent “wisely.”

Council Members Saunders: It would be helpful to come up with a 5 year “budget plan” to track the ARPA funds. City Manager Baylor said that the “cold stone truth” is that the city has “very low” taxes. Cities with higher taxes find it easier to come up with a 5-year plan. He thinks and it would be better for a 2- year plan. No one is in favor of more taxes for the city.

City Manager Baylor: The city’s opportunity for growth is Fort DuPont. Controlled growth at Fort DuPont will help the rest of the town. The campground will have two revenue sources: property taxes and income from the rentals. \$300,000 is estimated for the rentals only (not including property taxes). Mayor Johnson added that the campground will generate this most amount of revenue with the least amount of expenses.

Finance Manager Graham: While we have the ARPA funds, Town Hall needs to have its systems modernized. This includes the computers and the telephone system. She said it would be \$5,000 to \$10,000 for the phone systems and \$3,000 for the computers. City Manager Baylor said that \$25,000 would cover these expenses. Finance Manager Graham would add \$5,000 for a part-time office person.

City Manager Baylor: He would like to see \$25,000 to upgrade the office systems and \$10,000-\$15,000 for a part-time person.

Council Member Saunders: He is concerned about code enforcement, and he would like to see an increase in coverage. He would even consider a full-time code enforcement officer. City Manager Baylor said that the code enforcement officer/officers' hours need to be increased from 8 hours per week to 24 hours per week.

Finance Manager Graham: The campground recently had to pay \$43,000 for the building permit for the welcome center.

Council Member Saunders: He asked if a new line in the budget needs to be added for the 3% on the Fort DuPont rental income? Finance Manager Graham said that she would be creating a line for "lodging tax." This would be paid by the owner of the property (Fort DuPont) and not the renter.

Finance Manager Graham: The PILOT program remained the same at \$200,000. The general fund revenue total is \$1,560,123 which is a little less than last year. Health insurance went up a little this year.

Council Member Saunders: It is awful to have people work with obsolete software. It is important to keep current with the software. \$5,000 will cover the cost of the updated software.

Finance Manager Graham: The city purchased a 2019 Ford Fusion Hybrid. It was paid for with ARPA funds. It will be used for city business. It cost a little over \$27,000. Council Member Konkus said she feels \$27,000 is a lot of money, but now it is a done deal. Planning and inspections went up a little because the campground permitting is a little more expensive.

Mayor Johnson: Is there any "professional development" the staff can be sent to (listed under Training, Travel, Food)? (City Manager Baylor said the city has been using educational development out of the Professional Institute at the University of Delaware). New e-mail licenses need to be purchased for all city staff, Mayor & Council, and commission members. Can ARPA funding be used for employee bonuses? Finance Manager Graham said yes, but the details must be highly specific.

Council Member Saunders: He said the city should not be too conservative with budgeting "Maintenance/Building" funding. Vice Mayor Barrett agreed to increasing this budget expense.

Council Member Konkus: She suggested increasing the amount for "Contractual/Professional Services." City Manager Baylor agreed.

Vice Mayor Barrett: She was happy that the “Maintenance/Trees” amount went up, and she thinks it should be even higher at \$30,000.

2) Ordinance 22-0524-01 To Amend Requirements in All Special Flood Hazard Areas of the City of Delaware City by Amending Sections 48-19 (D) and (E) of the City of Delaware City Code.

City Manager Baylor: The city recently went through a review by the Community Rating System. It was determined that one provision in the ordinance had to be removed so that the City could keep its high rating. The rating numbers have a direct impact on the cost of personal flood insurance. If this change is not done it would be harder and more expensive to get insurance.

Council Member Saunders made a motion to approve Ordinance 22-0524-01 by modifying Section 48-19 (D) and (E) of the city code (first reading). It was seconded by Council Member Konkus. A roll call was taken, and all members were in favor. *The motion passed.*

ADJOURNMENT

Mayor Johnson entertained a motion to adjourn. Vice Mayor Barrett made the motion. Council Member Konkus seconded the motion. *Mayor Johnson adjourned the meeting at 7:45p.m.*

Respectfully submitted,

Sina Pincus

City Secretary